

## Message Text

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65

ACTION NEA-10

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-03

INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03 SP-02

CIEP-01 LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-04

CEA-01 ABF-01 FS-01 OPR-02 L-03 /085 W

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R 241310Z AUG 76

FM AMEMBASSY CAIRO

TO SECSTATE WASHDC 6353

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E.O. 11652: N/A

TAGS: ETRD, EFIN, ECON, EG

SUBJECT: OWN CURRENCY IMPORTS: GOE APPEARS TO BACKSLIDE

REF: CAIRO 10541

1. AS RESULT OF WHAT WE UNDERSTAND TO BE MAJOR COMPLAINTS FROM PRIVATE SECTOR, GOE HAS EVIDENTLY DECIDED TO PERMIT "OWN CURRENCY IMPORTS" PROGRAM TO CONTINUE MUCH THE SAME AS BEFORE

2. ACTIONS DESCRIBED REFTEL HAVE BEEN MODIFIED. MINTRADE OFFICIALS STATE THAT APPLICATIONS FOR LICENSES NOW REQUIRED FOR AMOUNTS UP TO LE 5,000 FOR IMPORTS UNDER THE OWN CURRENCY PROGRAM WILL BE PROCESSED EXPEDITIOUSLY, ON A PRO FORMA BASIS AND ISSUED WITHIN THREE DAYS. MINISTRY HAS ALSO REDUCED FEE CHARGED FOR APPLICATION TO LE 5 (FROM LE 100) AND HAS ADDED THE REQUIREMENT THAT APPLICANT PRESENT HIS TAXATION CARD AT TIME LICENSE IS REQUESTED. MINTRADE OFFICIALS STATE THAT PURPOSE OF NEW LICENSING PROCEDURE IS TO INSURE MAINTAINANCE OF PRICE LEVELS OF COMMODITIES IMPORTED UNDER LIMITED OFFICIAL USE

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THE PROGRAM BY MEANS OF KEEPING QUANTITIES HIGH.

IT WILL ALSO ENABLE EGYPTIANS TO MAINTAIN THEIR BUSINESS ACTIVITIES WHILE AT THE SAME TIME PAYING APPROPRIATE TAXES TO THE GOVERNMENT. WE HAVE ALSO BEEN TOLD THAT THE PRIOR PRACTICE OF PERMITTING "MORE THAN ONE APPLICATION PER YEAR," READ AS MANY AS POSSIBLE, WILL BE CONTINUED.

3. COMMENT: GOE ABANDONED ITS PREVIOUS STRONG POSITION ON OWN IMPORTS BECAUSE OF CONCERN THAT IMPACT OF NEW CONTROLS WILL BE MOST IMMEDIATELY FELT IN INCREASED PRICES FOR WIDE RANGE OF COMMODITIES THAT COME IN UNDER OWN CURRENCY PROGRAM. PRIVATE SECTOR, IN PARTICULAR, MADE A STRONG PITCH TO GOE. FORTHCOMING ELECTIONS CLEARLY PLAYED A ROLE IN CHANGE OF PLANS, AND IT MUST BE ADMITTED THAT WHILE INITIAL MOVE WAS PERHAPS A GOOD ONE, IT WAS ILL-TIMED. MINTRADE OFFICIALS ASSURE US THAT GOE INTENDS TO ACT AGAIN AFTER THE ELECTIONS. EILTS

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** IMPORT CONTROLS, FOREIGN EXCHANGE TRANSACTIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 24 AUG 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ElyME  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Original Handling Restrictions:** n/a  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 CAIRO 10541  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ElyME  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 09 JUN 2004  
**Review Event:**  
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**Status:** NATIVE  
**Subject:** OWN CURRENCY IMPORTS: GOE APPEARS TO BACKSLIDE  
**TAGS:** ETRD, EFIN, ECON, EG  
**To:** STATE  
**Type:** TE  
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